

City of Springfield
Regular Meeting

MINUTES OF THE REGULAR MEETING OF
THE SPRINGFIELD CITY COUNCIL HELD
MONDAY, FEBRUARY 17, 2004

The City of Springfield council met in regular session in the Council Meeting Room, 225 Fifth Street, Springfield, Oregon, on Monday, February 17, 2004, at 7:00 p.m., with Council President Fitch presiding.

ATTENDANCE

Present were Councilors Ballew, Lundberg, Fitch, Malloy, Ralston and Woodrow. Also present were City Manager Mike Kelly, Assistant City Manager Cynthia Pappas, City Attorney Joe Leahy, City Recorder Amy Sowa and members of the staff.

Mayor Leiken was absent (excused).

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Councilor Fitch.

SPRINGFIELD UPBEAT

1. Ken Robinson of the Springfield Fire Department, was scheduled to be recognized for 25 Years of Service to the City of Springfield, but was unable to attend the meeting.
2. City Manager Mike Kelly recognized Paula Guthrie of the Springfield Information Technology Department, for 20 Years of Service to the City of Springfield.
3. City Planner Sarah Summers introduced Nancy Moreno from Springfield Utility Board (SUB). Ms. Moreno presented the Groundwater Guardians' 2003 Plaque to the Springfield City Council. Ms. Moreno thanked the Springfield City Council for their continued support of the Groundwater Guardians. Groundwater Guardians is made up of volunteers from various agencies both local and state. It also includes volunteers from the business community, the school system and individuals throughout the Springfield area. The primary purpose of the Groundwater Guardians is to help protect groundwater and source water for our drinking water in Springfield from both the McKenzie River and the Middle Fork of the Willamette River. Groundwater Guardians has been recognized nationally for the projects they have participated in and supported that relate to protecting drinking water for the past seven years. Ms. Moreno discussed some of the projects the Groundwater Guardians supported or took part in during 2003. She described the educational program for local students conducted through the school district. She explained the notification procedures when contamination is discovered.

CONSENT CALENDAR

IT WAS MOVED BY COUNCILOR BALLEW, WITH A SECOND BY COUNCILOR WOODROW, TO ADOPT THE CONSENT CALENDAR WITH ITEMS 5.A AND 5.C REMOVED. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

1. Claims

2. Minutes

- a. January 20, 2004 – Work Session
- b. January 20, 2004 – Special Regular Meeting

3. Resolutions

4. Ordinances

- a. ORDINANCE NO. 6075- AN ORDINANCE VACATING THE FULL WIDTH OF KATHRYN STREET RIGHT-OF-WAY FROM 39TH STREET TO ITS FORMER INTERSECTION WITH OLYMPIC STREET, IN THE CITY OF SPRINGFIELD, LANE COUNTY, OREGON.

5. Other Routine Matters

- b. Authorize the City Manager to Sign a Contract Extension with Paradise Media for FireMed Advertising Campaign in an Amount Not to Exceed \$68,005.00.
- d. Approval of Liquor License Endorsement for Center Market, Located at 7095 Main Street, Springfield, OR.

ITEMS REMOVED FROM THE CONSENT CALENDAR

5.

- a. Approval of Initiation of Amendments to the Eugene-Springfield Metropolitan Area General Plan (Metro Plan) and the Public Facilities and Services Plan (PFSP).

IT WAS MOVED BY COUNCILOR BALLEW WITH A SECOND BY COUNCILOR MALLOY TO APPROVE INITIATION OF AMENDMENTS TO THE PUBLIC FACILITIES AND SERVICES PLAN (PFSP) TO: 1) CLARIFY THE RELATIONSHIP BETWEEN THE PFSP PROJECT LIST AND LOCALLY ADOPTED CAPITAL IMPROVEMENT PLANS; 2) UPDATE THE PFSP MAPS BASED ON NEW STATUTES; 3) REFLECT CURRENT CONDITIONS AND PLANNED REGIONAL WASTEWATER FACILITIES CONSISTENT WITH THE METROPOLITAN WASTEWATER MANAGEMENT COMMISSION (MWMC) FACILITIES MASTER PLAN UPDATE; 4) RESOLVE INCONSISTENCIES AMONG METRO-WIDE PLANNING DOCUMENTS; AND 5) ADD A NEW AMENDMENT PROCESS SPECIFIC TO THE PROJECT LIST IN THE PFSP. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

- c. Approval of Liquor License Endorsement for Snappy Service Café, Pub and Parlor, Located at 553 Main Street, Springfield, OR.

Councilor Lundberg declared a conflict of interest because this is her restaurant.

IT WAS MOVED BY COUNCILOR BALLEW WITH A SECOND BY COUNCILOR MALLOY TO APPROVE THE LIQUOR LICENSE ENDORSEMENT FOR

SNAPPY SERVICE CAFÉ, PUB AND PARLOR. THE MOTION PASSED WITH A VOTE OF 5 FOR, 0 AGAINST AND 1 ABSTENTION (LUNDBERG).

PUBLIC HEARINGS

1. 2004-2009 Capital Improvement Program.

City Engineer Al Peroutka presented the staff report on this item. The draft 2004-2009 Capital Improvement Program (CIP) was reviewed by the Planning Commission on January 21, 2004 and by the Council in work session on February 9, 2004 and is now ready for public comment and final adoption.

The City Council reviewed the draft CIP in work session on February 9, 2004 and approved the addition of two projects to the draft to be brought to public hearing at this meeting. Those projects, the Gateway/Beltline Intersection and Vera and 19th Street Sanitary Sewer Pump Station, have been added to the attached draft starting in the second year of the CIP. The Vera and 19th Street Sanitary Sewer Pump Station is a \$260,000 project to serve the Grandview Estates and vicinity with the understanding that the city will work over the next year period to re-coup 50 percent of the costs of that project through development in the area served. The Gateway/Beltline Intersection Project engineering and purchase of right-of-way would occur in the second year with the construction in the last year of the CIP. After hearing public comments, council is requested to adopt the Capital Improvement Program by motion.

Councilor Fitch opened the public hearing.

No one appeared to speak.

Councilor Fitch closed the public hearing.

IT WAS MOVED BY COUNCILOR BALLEW WITH A SECOND BY COUNCILOR MALLOY TO ADOPT THE 2004-2009 FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM (CIP). THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

2. Stormwater Management Plan and Submittal of Required Documents to the Department of Environmental Quality.

RESOLUTION NO. 04-05 – A RESOLUTION ADOPTING A STORMWATER MANAGEMENT PLAN AND SUBMITTAL OF REQUIRED DOCUMENTS TO THE DEPARTMENT OF ENVIRONMENTAL QUALITY.

Water Resources Program Coordinator Chuck Gottfried presented the staff report on this item. In 2003, the city applied for its first Municipal Separate Storm Sewer System (MS4) stormwater discharge permit, as required by the CWA. A Stormwater Management Plan (Plan) has been prepared to meet the minimum requirements of the State and Federal clean water laws. The Plan is included as Attachment B in the agenda packet.

The Plan's purpose is to provide policy and management guidance for the city's stormwater management programs and other activities affecting stormwater within the Springfield metropolitan area. Chapter Five of the Plan is intended to fulfill specific requirements that must be met to obtain a MS4 stormwater discharge permit. It provides for incremental progress toward

achieving the council's annually-reviewed "Key Outcomes for Stormwater Management," as well as State and Federal minimum water quality standards. The proposed MS4 materials in Chapter Five mainly capture existing city stormwater management practices and programs. Additional activities, such as a Federally-mandated program for detecting and eliminating illicit discharges (dumping and/or spills) of pollutants city-wide, were only included in the Plan where the city currently has no applicable practices or programs.

The Plan reflects a minimalist approach, which recognizes the city's fiscal and organizational constraints. It does not, however, preclude the city from implementing additional measures that will assist in improving water quality and drainage system conditions. The Plan relies heavily on enhanced outreach and technical assistance to business and industry, as well as implementation and enforcement of existing Development and Municipal Code requirements related to stormwater management and erosion control.

The NPDES-MS4 portion of the Plan must be submitted to the DEQ by March 10, 2004. If the DEQ finds the city's submittal to meet the minimum requirements, Springfield will be issued its first ever NPDES MS4 stormwater discharge permit. Implementation of the Plan is intended, over a five-year permit term, to improve Springfield's water quality by 1) establishing goals and benchmarks for reaching water quality standards, 2) implementing the specified management practices, outreach, education, and enforcement efforts, and 3) ensuring compliance with the city's State and Federal stormwater discharge requirements through tracking, monitoring, and reporting. The Plan does not amend any local codes or ordinances. It also does not impose any new regulations or limitations on the development or use of private property. It is consistent with, and supports city implementation of both the Eugene-Springfield Metropolitan Plan and the Public Facilities and Services Plan.

Stormwater management functions operate within the city's Public Works and Development Services Departments. The planning, expansion, maintenance, and management of the city's stormwater infrastructure require ongoing operations staff and capital improvement program resources. The plan calls for a modest increase in drainage program staffing for illicit discharge inspection and compliance, starting FY 04-05. Since the adequacy of this Plan to satisfy DEQ requirements is not yet known, the overall future financial impacts are uncertain.

Councilor Fitch opened the public hearing.

No one appeared to speak.

Councilor Fitch closed the public hearing.

IT WAS MOVED BY COUNCILOR BALLEW WITH A SECOND BY COUNCILOR MALLOY TO ADOPT RESOLUTION NO. 04-05. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

3. Glenwood Water District Withdrawal EC SP 03-28, Monroe Journal Number LRP2003-0035.

ORDINANCE NO. 2 – AN ORDINANCE WITHDRAWING CERTAIN REAL PROPERTY KNOWN AS MONROE, LOCATED IN THE GLENWOOD AREA OF SOUTHWEST SPRINGFIELD, SOUTH OF 21ST STREET, EAST OF HARRISON STREET, WEST OF MORTON STREET AND INVOLVING APPROXIMATELY 0.2 ACRES AS IDENTIFIED

ON TAX LOT 2900 T18S R03W S03 MAP 12; HERETOFORE ANNEXED TO THE CITY OF SPRINGFIELD FROM THE GLENWOOD WATER DISTRICT (FIRST READING).

City Planner Kitti Gale presented the staff report on this item. Oregon Revised Statutes (ORS 222.520) require that territory located in the Glenwood Water District, which is annexed to the City of Springfield, be withdrawn from that district to prevent double taxation. ORS requires withdrawal prior to March 31st of each calendar year. The owner requested annexation in order to develop the property for urban use. The subject property was annexed to the City of Springfield effective on June 23, 2003.

Legal notice was published in the Springfield News as required by ORS 222.520 and notices were posted in five public places. A second reading and adoption will be conducted on March 15, 2004.

Councilor Woodrow asked if staff had looked into having these withdrawals incorporated at the time of annexation.

Ms. Gale said in checking with the Department of Revenue, it was determined that it would require less paperwork to submit this to the state by the deadline of March 31. Processing at the time of annexation would mean double the paperwork for the planner who does each annexation, whereas bringing them before council at once is more economical.

Councilor Ballew asked if it saved the state or the city time. Ms. Gale said both.

City Manager Mike Kelly noted that it wouldn't matter when we sent the paperwork, no initial action would occur until March 31.

Councilor Fitch opened the public hearing.

No one appeared to speak.

Councilor Fitch closed the public hearing.

NO ACTION REQUESTED. FIRST READING ONLY.

4. Glenwood Water District Withdrawal C SP 03-31, Shamrock Village Investors/U.S. Bank – Journal Number LRP2003-00036.

ORDINANCE NO. 3 – AN ORDINANCE WITHDRAWING CERTAIN REAL PROPERTY KNOWN AS SHAMROCK VILLAGE INVESTORS/U.S. BANK, LOCATED IN THE GLENWOOD AREA OF WEST SPRINGFIELD, EAST AND WEST OF FRANKLIN BOULEVARD, SOUTH OF EAST 19TH AVENUE AND INVOLVING APPROXIMATELY 16.0 ACRES AS IDENTIFIED ON TAX LOTS 300, 301, 3300 T17S R03W S34 MAP 44, TAX LOT 1401 T18S R03W S03 MAP 11; HERETOFORE ANNEXED TO THE CITY OF SPRINGFIELD FROM THE GLENWOOD WATER DISTRICT (FIRST READING).

City Planner Kitti Gale presented the staff report on this item. Oregon Revised Statutes (ORS 222.520) require that territory located in the Glenwood Water District, which is annexed to the City of Springfield, be withdrawn from that district to prevent double taxation. ORS requires withdrawal prior to March 31st of each calendar year. The owner requested annexation in order to

develop the property for urban use. The subject property was annexed to the City of Springfield effective on August 7, 2003.

Legal notice was published in the Springfield News as required by ORS 222.520 and notices were posted in five public places. A second reading and adoption will be conducted on March 15, 2004.

Councilor Fitch opened the public hearing.

No one appeared to speak.

Councilor Fitch closed the public hearing.

NO ACTION REQUESTED. FIRST READING ONLY.

5. Glenwood Water District Withdrawal C SP 03-34, Willamette Beverage Company – Journal Number LRP2003-00037.

ORDINANCE NO. 4 – AN ORDINANCE WITHDRAWING CERTAIN REAL PROPERTY KNOWN AS WILLAMETTE BEVERAGE COMPANY, LOCATED IN THE GLENWOOD AREA OF WEST SPRINGFIELD, EAST OF 1-5, SOUTH AND WEST OF JUDKINS ROAD AND INVOLVING APPROXIMATELY 3.25 ACRES AS IDENTIFIED ON TAX LOT 490 AND A PORTION OF 600 T17S R03W S33 MAP 44 AND A PORTION OF TAX LOT 100 T18S R03W S04 MAP 11; HERETOFORE ANNEXED TO THE CITY OF SPRINGFIELD FROM THE GLENWOOD WATER DISTRICT (FIRST READING).

City Planner Kitti Gale presented the staff report on this item. Oregon Revised Statutes (ORS 222.520) require that territory located in the Glenwood Water District, which is annexed to the City of Springfield, be withdrawn from that district to prevent double taxation. ORS requires withdrawal prior to March 31st of each calendar year. The owner requested annexation in order to develop the property for urban use. The subject property was annexed to the City of Springfield effective on August 7, 2003.

Legal notice was published in the Springfield News as required by ORS 222.520 and notices were posted in five public places. A second reading and adoption will be conducted on March 15, 2004.

Councilor Fitch opened the public hearing.

No one appeared to speak.

Councilor Fitch closed the public hearing.

NO ACTION REQUESTED. FIRST READING ONLY.

6. Rainbow Water District Withdrawal EC SP 03-01, PeaceHealth – Journal Number LRP2003-00031.

ORDINANCE NO. 5 – AN ORDINANCE WITHDRAWING CERTAIN REAL PROPERTY KNOWN AS PEACEHEALTH, LOCATED IN NORTHERN SPRINGFIELD, SOUTH OF

DEADMOND FERRY ROAD, EAST OF BALDY VIEW LANE, AND INVOLVING APPROXIMATELY 2 ACRES AS IDENTIFIED ON TAX LOT 200 T17S R03W S23 MAP 22; HERETOFORE ANNEXED TO THE CITY OF SPRINGFIELD FROM THE RAINBOW WATER DISTRICT (FIRST READING).

City Planner Kitti Gale presented the staff report on this item. Oregon Revised Statutes (ORS 222.520) require that territory located in the Rainbow Water District, which is annexed to the City of Springfield, be withdrawn from that district to prevent double taxation. ORS requires withdrawal prior to March 31st of each calendar year. The owner requested annexation in order to develop the property for urban use. The subject property was annexed to the City of Springfield effective on January 3, 2003.

Legal notice was published in the Springfield News as required by ORS 222.520 and notices were posted in five public places. A second reading and adoption will be conducted on March 15, 2004.

Councilor Fitch opened the public hearing.

No one appeared to speak.

Councilor Fitch closed the public hearing.

NO ACTION REQUESTED. FIRST READING ONLY.

7. Rainbow Water District Withdrawal EC SP 03-11, McCulloch Journal Number LRP2003-00032.

ORDINANCE NO. 6 – AN ORDINANCE WITHDRAWING CERTAIN REAL PROPERTY KNOWN AS MCCULLOCH, LOCATED IN SOUTHWEST SPRINGFIELD, EAST OF I-5, SOUTH OF CENTENNIAL BOULEVARD, NORTH OF DIAMOND STREET, AND WEST OF RAINBOW DRIVE INVOLVING APPROXIMATELY .14 ACRES AS IDENTIFIED ON TAX LOT 201 T17S R03W S34 MAP 24; HERETOFORE ANNEXED TO THE CITY OF SPRINGFIELD FROM THE RAINBOW WATER DISTRICT (FIRST READING).

City Planner Kitti Gale presented the staff report on this item. Oregon Revised Statutes (ORS 222.520) require that territory located in the Rainbow Water District, which is annexed to the City of Springfield, be withdrawn from that district to prevent double taxation. ORS requires withdrawal prior to March 31st of each calendar year. The owner requested annexation in order to develop the property for urban use. The subject property was annexed to the City of Springfield effective on May 12, 2003.

Legal notice was published in the Springfield News as required by ORS 222.520 and notices were posted in five public places. A second reading and adoption will be conducted on March 15, 2004.

Councilor Fitch opened the public hearing.

No one appeared to speak.

Councilor Fitch closed the public hearing.

NO ACTION REQUESTED. FIRST READING ONLY.

8. Rainbow Water District Withdrawal C SP 03-17, Northwood Christian Church – Journal Number LRP2003-00033.

ORDINANCE NO. 7 – AN ORDINANCE WITHDRAWING CERTAIN REAL PROPERTY KNOWN AS NORTHWOOD CHRISTIAN CHURCH, LOCATED IN THE NORTHERN AREA OF SPRINGFIELD, EAST OF HARVEST LANE, NORTH OF HAYDEN BRIDGE ROAD AND INVOLVING APPROXIMATELY 2.6 ACRES AS IDENTIFIED ON TAX LOT 200 T17S R03W S24 MAP 33; HERETOFORE ANNEXED TO THE CITY OF SPRINGFIELD FROM THE RAINBOW WATER DISTRICT (FIRST READING).

City Planner Kittie Gale presented the staff report on this item. Oregon Revised Statutes (ORS 222.520) require that territory located in the Rainbow Water District, which is annexed to the City of Springfield, be withdrawn from that district to prevent double taxation. ORS requires withdrawal prior to March 31st of each calendar year. The owner requested annexation in order to develop the property for urban use. The subject property was annexed to the City of Springfield effective on June 5, 2003.

Legal notice was published in the Springfield News as required by ORS 222.520 and notices were posted in five public places. A second reading and adoption will be conducted on March 15, 2004.

Councilor Fitch opened the public hearing.

No one appeared to speak.

Councilor Fitch closed the public hearing.

NO ACTION REQUESTED. FIRST READING ONLY.

9. Rainbow Water District Withdrawal C SP 03-20, Jacobson Journal Number LRP2003-00034.

ORDINANCE NO. 8 – AN ORDINANCE WITHDRAWING CERTAIN REAL PROPERTY KNOWN AS JACOBSON, LOCATED IN SOUTHWEST SPRINGFIELD, SOUTH OF HARLOW ROAD, EAST OF LAURA STREET, WEST OF PIONEER PARKWAY EAST AND INVOLVING APPROXIMATELY 1.75 ACRES AS IDENTIFIED ON TAX LOT 1400 T17S R03W S27 MAP 10; HERETOFORE ANNEXED TO THE CITY OF SPRINGFIELD FROM THE RAINBOW WATER DISTRICT (FIRST READING).

City Planner Kittie Gale presented the staff report on this item. Oregon Revised Statutes (ORS 222.520) require that territory located in the Rainbow Water District, which is annexed to the City of Springfield, be withdrawn from that district to prevent double taxation. ORS requires withdrawal prior to March 31st of each calendar year. The owner requested annexation in order to develop the property for urban use. The subject property was annexed to the City of Springfield effective on June 5, 2003.

Legal notice was published in the Springfield News as required by ORS 222.520 and notices were posted in five public places. A second reading and adoption will be conducted on March 15, 2004.

Councilor Fitch opened the public hearing.

No one appeared to speak.

Councilor Fitch closed the public hearing.

NO ACTION REQUESTED. FIRST READING ONLY.

10. Rainbow Water District Withdrawal EC SP 03-57, Grassauer Journal Number LRP2003-00038.

ORDINANCE NO. 9 – AN ORDINANCE WITHDRAWING CERTAIN REAL PROPERTY KNOWN AS GRASSAUER, LOCATED IN THE HAYDEN BRIDGE AREA OF NORTH SPRINGFIELD, SOUTH OF HAYDEN BRIDGE ROAD, EAST OF 19TH STREET, WEST OF 20TH STREET AND INVOLVING APPROXIMATELY 0.69 ACRES AS IDENTIFIED ON TAX LOT 1000 T17S R03W S24 MAP 43; HERETOFORE ANNEXED TO THE CITY OF SPRINGFIELD FROM THE RAINBOW WATER DISTRICT (FIRST READING).

City Planner Kitti Gale presented the staff report on this item. Oregon Revised Statutes (ORS 222.520) require that territory located in the Rainbow Water District, which is annexed to the City of Springfield, be withdrawn from that district to prevent double taxation. ORS requires withdrawal prior to March 31st of each calendar year. The owner requested annexation in order to develop the property for urban use. The subject property was annexed to the City of Springfield effective on December 15, 2003.

Legal notice was published in the Springfield News as required by ORS 222.520 and notices were posted in five public places. A second reading and adoption will be conducted on March 15, 2004.

Councilor Fitch opened the public hearing.

No one appeared to speak.

Councilor Fitch closed the public hearing.

NO ACTION REQUESTED. FIRST READING ONLY.

BUSINESS FROM THE AUDIENCE

1. Ed Monks, Catholic Community Services, Eugene, OR. Mr. Monks said he would like to thank council for their questions during the work session earlier this evening regarding the Springfield Community Center. He would also like to thank council for their consideration regarding the proposal that was prepared for this property. The proposal represents the potential for the continuation of a fruitful, productive relationship between Catholic Community Services and the low-income residents of the City of Springfield. Mr. Monks thanked Housing Manager Kevin Ko and City Attorney Joe Leahy for their work on the

negotiations. They looked out for the city's interest in a way that allowed Catholic Community Services to get an agreement that was acceptable, protected the interests of the city and produced a healthy result for the low-income residents of the city.

CORRESPONDENCE AND PETITIONS

1. Correspondence from Alice Wagner, 2250 Debra Drive, Springfield, OR Regarding the PeaceHealth Master Plan.
2. Correspondence from Barbara J. Haase, 2214 Ridgeway Drive, Eugene, OR Regarding the PeaceHealth Master Plan.
3. Correspondence from L.L. "Stub" Stewart, P.O. Box 10293, Eugene, OR Regarding PeaceHealth Riverbend Project.
4. Correspondence from Frank Skipton, 2150 Laura Street, #13, Springfield, OR Regarding a Noise Committee.
5. Correspondence from Michelle Bivens, 225 North 26th, Springfield, OR Regarding Sacred Heart (PeaceHealth) Medical Center in Springfield.
6. Correspondence from Bill Morrisette, 348 G Street, Springfield, OR Regarding the PeaceHealth Master Plan.
7. Correspondence from Larry Schanz, Ward 5, Springfield, OR Regarding Creating Special Taxing Districts.

IT WAS MOVED BY COUNCILOR BALLEW WITH A SECOND BY COUNCILOR MALLOY TO ACCEPT AND FILE THE CORRESPONDENCE. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

BUSINESS FROM THE CITY COUNCIL

1. Committee Appointments

a. Metropolitan Wastewater Management Commission (MWMC).

Environmental Services Manager Susan Smith presented the staff report on this item. The term of Springfield's lay position on the MWMC expired February 1, 2004. The City Council needs to appoint a representative to serve the next term, which extends through February 1, 2007. Doug Keeler, incumbent, has re-applied for the position and is the only applicant.

The MWMC is composed of seven members. Springfield is represented by one City Councilor, Anne Ballew, and one citizen. Doug Keeler, who works for Weyerhaeuser, has represented Springfield on the Commission since 1997. Mr. Keeler brings to the Commission a strong background in industrial wastewater management.

The vacancy was advertised in the Springfield News and the Register Guard, and applications were accepted from December 19, 2003, through January 16, 2004. Notices of the vacancy were also sent to citizens who have served on recent citizen advisory committees and/or have expressed interest in Springfield boards and commissions. One application was received from Mr. Keeler and is included for City Council review.

IT WAS MOVED BY COUNCILOR BALLEW WITH A SECOND BY COUNCILOR MALLOY TO RE-APPOINT DOUG KEELER TO THE METROPOLITAN

WASTEWATER MANAGEMENT COMMISSION (MWMC) WITH A TERM TO EXPIRE FEBRUARY 1, 2007. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

2. Business from Council

Councilor Malloy announced that due to a change in his employment, he will be working in Bellevue, Washington starting March 8, 2004. His family will remain in Springfield until school is out and his wife has their child, so he will be commuting, but would be unable to attend council meetings. Therefore, he will be resigning his seat on the city council effective March 5, 2004. He has submitted his letter of resignation to the City Manager's Office and the Mayor.

Councilor Fitch said Councilor Malloy has been a great asset to the council and will be greatly missed.

Councilor Fitch announced that next Monday's council meeting has been cancelled.

BUSINESS FROM THE CITY MANAGER

1. Proposed Sale of the Springfield Community Center to Catholic Community Services, and Disposition of Community Development Block Grant (CDBG) Subsidy.

City Manager Mike Kelly presented the staff report on this item. The Springfield Community Center, located at 1025 G Street is currently owned by the Springfield Community Development Corporation (CDC). The City assisted the CDC in the purchase and rehabilitation of the facility by providing \$195,369 of CDBG funds in 1998 and 1999. The city has been asked to facilitate the sale of the Community Center to Catholic Community Services (CCS) by waiving repayment of the CDBG subsidy.

The Springfield CDC has been operating the Community Center since its acquisition in 1998. The Community Center has been a financial and operational challenge to the CDC, which is wishing to divest itself of the facility. The Arc of Lane County was initially interested in the facility, but has concluded it would not serve its needs. The CDC is wishing to sell the property to CCS, who currently operates a food box distribution program and energy assistance program from the facility. CCS is very interested in purchasing the facility so that it may continue to provide services to Springfield residents. If the acquisition is successful, CCS also plans to relocate its main offices to the facility and to offer space to other service agencies to better serve Springfield residents. The debt on the facility (including the CDBG subsidy) exceeds current market value, and full repayment of all debts and obligations is not financially feasible. CCS has requested that the City facilitate the transaction by waiving repayment of the CDBG subsidy.

The City has invested \$195,369 of CDBG funds in the facility and has entered into two separate CDBG grant agreements with the CDC, describing the responsibilities and obligations that go along with the CDBG funds. The agreements require repayment of the CDBG subsidy to the city if the facility is sold within 10 years of the date of the agreement. The CDBG program allows the city the option of waiving repayment, if CDBG eligible services continue to be provided from the facility to low-income residence of the community. The CDBG program requires continued maintenance of the facility.

Staff has visited the facility on several occasions and recognizes the importance of the services that CCS currently provides. The addition of other service agencies would broaden the range of services available. There is no other location in Springfield where low-income persons have access to these services. Staff recommends that the City waive repayment of the CDBG subsidy and assign the CDBG responsibilities and obligations to CCS, according to the terms of the Assignment and Modifications Agreement. This will ensure the long-term continuance of the vital services which are currently being provided by CCS to the benefit of low-income Springfield residents, and represents the best use of the CDBG funds.

IT WAS MOVED BY COUNCILOR BALLEW WITH A SECOND BY COUNCILOR MALLOY TO APPROVE STAFF'S RECOMMENDATION TO ALLOW THE CDBG SUBSIDY TO REMAIN IN THE FACILITY, UNDER THE TERMS DESCRIBED IN THE ASSIGNMENTS AND MODIFICATIONS AGREEMENT (ATTACHMENT 3). THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

2. Approval of Liquor License Endorsement for Club Rock, Formerly El Volcan Restaurant & Bar, Located at 535 Main Street, Springfield, OR.

Community Services Manager Dave Puent was present for the staff report on this item. The new owners of Club Rock have requested the City Council to endorse their OLCC Liquor License Application. The ownership and business trade name of the former El Volcan Restaurant & Bar has changed. The license application has been reviewed and approved by the appropriate City Departments.

IT WAS MOVED BY COUNCILOR BALLEW WITH A SECOND BY COUNCILOR MALLOY TO APPROVE THE LIQUOR LICENSE ENDORSEMENT FOR CLUB ROCK. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

BUSINESS FROM THE CITY ATTORNEY

1. Hospital Facility Authority Dissolution.

RESOLUTION NO. 04-06 – A RESOLUTION DISSOLVING THE HOSPITAL FACILITY AUTHORITY OF THE CITY OF SPRINGFIELD, OREGON.

City Attorney Joe Leahy presented the staff report on this item. There is no financial impact. The status regarding the establishment of a Hospital Facility Authority by the City of Springfield expressly provide that the City of Springfield does not and may not incur any liability nor pledge any of its assets nor taxing power to the repayment of the Authority's revenue bonds. The city has incurred no liability on the part of the city or members of its City Council by reason of the establishment of the Hospital Facility Authority or the revenue financing of the Authority. Further, the city has no obligation to provide personnel or staff services. Its sole act was the creation of the Authority and the appointment of a Board of Directors. All costs of the issue and expenses incurred by reason of any bonds after the initial issue were paid from the bond proceeds or by the hospital. The city has not incurred any financial obligation.

This Resolution simply dissolves the Authority because it is no longer necessary.

Mr. Leahy said this is continued from the acquisition of McKenzie Willamette by Triad. Part of the acquisition included the unnecessary need for the Hospital Facility Authority, therefore, the

city has been asked to dissolve it. Mr. Leahy referred to Attachment H, page 16 included in the agenda packet which shows the U.S. National Bank Association providing notice that the bonds are deemed to have been paid in full because they have been defeased, meaning sufficient assets have been placed in escrow at U.S. National Bank Association to pay the outstanding amounts owed on those 1994 bonds.

Mr. Leahy also referred to a letter from Larry Thorpe, attorney for the Hospital Facility Authority included in the agenda packet as Attachment D. This letter states that there are no other assets in the Authority. The letter also states that the Authority has served its time, done its job, and issued bonds for hospital purposes since 1977. The City of Springfield authorized the Authority and under the law, the city has no liability to it in any way as stated under Oregon Statutes. The city has been asked to terminate the Authority and have been assured their outstanding bonds have been defeased and there are no other assets. Mr. Leahy recommends council authorize the resolution which dissolves the Hospital Facility Authority.

IT WAS MOVED BY COUNCILOR BALLEW WITH A SECOND BY COUNCILOR MALLOY TO ADOPT RESOLUTION NO. 04-06. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

2. Mr. Leahy introduced Mike Reeder, a law clerk in Mr. Leahy's office. Mr. Reeder is a graduate of the University of Oregon Law School and is undergoing a Master of Public Administration program. Mr. Reeder has a good work history, including working at the Land Use Board of Appeals and has been very valuable in the city attorney's office.

ADJOURNMENT

The meeting was adjourned at 7:41 p.m.

Minutes Recorder Amy Sowa

Sidney W. Leiken
Mayor

Attest:

City Recorder